



Daniel Mudd
President and Chief Financial Officer
Fannie Mae
2007 Compensation: \$ 11.5 million



Richard Syron
Chairman and Chief Executive Officer
Freddie Mac
2007 Compensation: \$ 18.3 million

In May, I joined a bipartisan coalition to support passage of important legislation that modernized the FHA and provided a strong world-class regulator for Fannie Mae and Freddie Mac. Now, Washington insiders are seeking an unlimited, “no questions asked” U.S. Treasury bailout of these mortgage giants.

I think this is the wrong approach. The complicated 700-page legislation is being rushed through the Congress without question and very little debate, and will leave taxpayers with an enormous bill. It benefits the Chinese investors who own Fannie Mae and Freddie Mac debt and even allows the executives who drove these firms to the edge of ruin to keep their jobs!

Where is the accountability? We need to ask questions about controversial provisions before we

pass important legislation - not after. The bill before the House provides two private corporations with an unlimited line of credit from the U.S. Treasury. For the first time in history, the U.S. Treasury is seeking authority to own stock in publicly-traded companies - Fannie Mae and Freddie Mac. Before the new housing regulator even starts its job, the Federal Reserve will have authority to overrule its decisions. Finally, the legislation increases the federal debt limit by almost \$1 trillion, without considering a balanced budget amendment to the Constitution.

“Business as usual” means Washington bailing out investors, requiring no concessions or accountability. If we perpetuate this system, we encourage future risk-taking and expose the taxpayer to even greater losses. Instead of wasting billions of taxpayer dollars bailing out the speculators and insiders who created this crisis, we should be considering legislation that actually helps those Americans hurt hardest by the current economic slowdown.

Earlier this year, I introduced legislation to restore the Home Ownership Loan Corporation to help regular Americans in need of assistance. My legislation to expand health care access to all Americans, make college more affordable and reduce America's dependence on foreign oil speaks to the true needs of our communities. In my view, the President and congressional leadership should first fire the heads of Fannie Mae and Freddie Mac while approving a balanced budget amendment to the Constitution before even considering the unlimited bailout on the House floor today.